

## **DRAFT MEETING SUMMARY (v.2)**

*DRAFT - NOT APPROVED BY COMMITTEE*

**HANFORD ADVISORY BOARD**  
**FINANCIAL AND CONTRACT MANAGEMENT COMMITTEE**  
*February 28, 2001*  
*Richland, Washington*

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*This is only a summary of issues and actions in this meeting. It may not represent the fullness of ideas discussed or opinions given, and should not be used as a substitute for actual public involvement or public comment on any particular topic unless specifically identified as such.*

### **Introduction, Committee Business, and Statement of Meeting Goals**

The meeting was chaired by Gerry Pollet, chair pro-tem of the committee, who noted that the meeting was being held in an open room, in compliance with the charter. Introductions were made.

The reason for this meeting was to understand the new contracts for Department of Energy – Office of River Protection (DOE-ORP) and Department of Energy – Richland (DOE-RL) before committee members attend the public budget workshop next week. Specifically, the committee wanted to define how the contracts and the work priorities within the contracts relate to the Tri-Party Agreement (TPA). The stated goal of the meeting was to track major issues and questions the committee would like addressed at both the budget workshop and the committee's next meeting on Wednesday, March 7, 2001. In addition, they wanted to identify committee members to follow issues, and draft advice for specific areas of concern, which the committee will discuss next Wednesday. Following these discussions, the committee can track its concerns by consensus then assign an issue manager or drafter to work on the background. Gerry proposed modifying the advice format so the actual advice is simplified and is accompanied by a couple of pages of background information detailing the supporting principles. This new plan assumes the committee will reconvene in March before the April Hanford Advisory Board (HAB) meeting to pull the advice together; the exact process will be decided next week. It was pointed out that many committee members will be in Washington DC next week to lobby so it was decided that any information the committee produced could be mailed to committee members not in attendance.

There was a brief discussion of the public meeting held the night before at Whitman College in Walla Walla. It was reported that 56-60 members of the public attended and a question was raised about whether it should have been advertised more broadly and whether it was a “public meeting.” Committee members who had attended the meeting clarified that HAB member Mark Beck organized the meeting and invited the relevant regulators to make presentations. The committee was concerned that if this was a public meeting attended by all three members of the TPA then it should have been advertised more broadly. The committee decided that the status of meetings like this should be more clearly defined in the future.

### **DOE-ORP Presentation on CH2MHill Hanford Group (CHG) Contract Extension**

#### **Big Picture**

Dana Bryson, DOE-ORP, presented the “big picture” of the contract extension made with CH2MHill Hanford Group (CHG). He emphasized DOE-ORP’s commitment to achieve vitrification as well as interim stabilization of the tanks. DOE-ORP has been told its funding level will stay flat at \$2.2 billion, but in order to meet its TPA commitments, the work scope requires increased funding to \$2.5 billion. To accommodate this shortfall, DOE-ORP devised a contract in which the work scope allows it to provide funding to the contractor and incentivizes the contractor to meet the lower budget goal. This plan requires and assumes that the contractor is both competent and motivated by profit. Dana Bryson cautioned that funding levels below \$2.2 billion would mean shortening work scope. DOE-ORP is attaching the contractor’s base fee to specific deliverables. If the contractor delivers, it can earn \$106 million over course of the contract, but to be eligible for that fee it will have to do cost-savings and roll some of the fee into other work scope.

Committee members requested clarification, so Dana Bryson presented an example. One year’s budget could be \$360 million including the fee for specific goals. Within that \$360 million, \$18 million is budgeted for the contractor’s fee for accomplishing goals. That is a 5% return, which, from a corporate perspective, does not provide much incentive. Thus, the incentive DOE-ORP has offered is that if the contractor performs extra work for less money and is able to put those savings into extra work, then it may get a return as high as 20%. Specifically, if the contractor is told certain work scope will cost \$360 million and the contractor completes it for \$330 million, then it applies the extra \$30 million to the next items on the work scope. If it does not achieve all of the items in the work scope then it will not make as much profit; that is its incentive to use cost-savings.

#### **Committee Discussion**

- How does DOE-ORP know that its estimated cost of the work is any good? Dana Bryson acknowledged that everything hinges on the estimate but conveyed confidence that the estimate is good because DOE- Headquarters has done

reviews. The committee marked this as an issue to flag: the validity of the baseline estimate.

- How does DOE-ORP know if the cost savings are real? Dana Bryson responded that DOE-ORP follows the baseline and there is an audit trail between contracts and performance reviews.
- Where is the independent review of baselines? Jennifer Sands, DOE-ORP, responded that this review process started when DOE-ORP was still assuming BNFL would be the contractor. This CHG contract was structured in small estimates and did not go through an independent review in which the contractors are constantly on the defensive. Instead, DOE-ORP acknowledged the contractor's ultimate desire for profit and tied that to cost-savings. This allowed DOE to stop fighting with the contractor over the final dollar amount because it lets the contractor find the savings on its own. Thus, the incentive is for the contractors to find cost-savings, without the battlefield review process. In response, the committee requested at least a partial briefing on the independent review process, if not the full one. Jennifer Sands explained that the Technical Baseline Reviews (TBRs) were included in the work scope. The review was done a year ago but the final number is in the contract. Dana Bryson pointed out that the contractor only gets paid through performance incentives. The committee decided to flag the issue that an independent validation of the baseline is the key to know if profit levels acceptable.
- Does DOE-ORP have control of changes in procedures? Dana Bryson responded that increasing scope and adding to the contract would be done through the contracting officer with a baseline change increase. DOE-ORP must provide that extra money or reduce work scope. He noted that DOE-ORP has the contract so pared down already that if it has to cut any work scope it will be in jeopardy of not meeting commitments. He added that the contract describes work scope in great detail, so any additional work would be a contract change. Mike Payne, CHG, pointed out that this contract is very explicit about defining work scope, in terms of what items must be completed by what time, and also has very well-identified and well-defined incentives.

### **CHG Contract Details and committee questions/discussion**

Jeff Short, DOE-ORP, distributed the Tank Farm Contract Handout to committee members in order to explain more of the contract's details. The contract ends Sept 30, 2006. In this contract, funding no longer equals baseline, which will save DOE-ORP money administratively, making it no longer necessary to adjust work scope every time funding changes. He pointed out that an area of improvement was that the contractor had to show how it would do more work for less money, listed on page 2 of the handout. Another major change is that there are negotiated performance incentives over the life of contract; these are listed in the handout "Table D-1." He noted that this is still a cost-reimbursement contract and that the \$106 million reported on Table D-1 is based on fee curve.

The contract divides milestones into Base/Standard Incentives, Stretch, and Super Stretch. Stretch areas are critical portions of the work scope, of which 60 % is not funded in contract. Super Stretch areas are all unfunded so to perform this work the contractor must accumulate savings in previous work. The contract also includes a comprehensive performance incentive, the purpose of which is to prevent the contractor from performing Super Stretch work at the expense of baseline work. There is a \$2 million/year fee of comprehensive work based on corporate performance. This fee is broken down into categories and is subjective, as opposed to other performance incentives, so it is a reward-fee and will be reviewed semi-annually. Another new concept (seen on Table D-1) is that \$6-7 million is an unallocated part of the fee that can be put towards new work scope. Also, funding will be released as soon as available instead of monthly, giving the contractor more control over getting work done. The contractor will send a letter to DOE-ORP detailing what it has accomplished. DOE-ORP staff will verify this by inspections in the field, paperwork, performing calculations, and finally writing a memo to the contracting officer, who either agrees or disagrees.

### **Committee Discussion**

- What are the downsides to the contract? DOE-ORP responded that the major downside is that if DOE-ORP does not receive enough money from the budget, or if the contractors are not able to perform at those levels, then DOE-ORP risks not reaching TPA milestones.
- How will the workers do more work with less equipment? What is reality of safety being implemented in tank farms? Where are the risks or problems? DOE-ORP hopes this type of contract will make CHG management and workers think about how to better do the work. DOE-ORP will no longer dictate how to do it but let the contractor develop its own incentives for giving workers help in being more efficient and safe. In this way, DOE-ORP said the contract's structure is aimed at avoiding certain work areas from getting skimmed on.
- How does the contract balance safety with profit incentives and deadlines, noting that in the past, HAB advice has been very specific about fee penalties for safety violations? DOE-ORP answered that there is a subjective clause in section I of the contract in which a penalty may be exercised if the contractor fails to meet minimum safety levels. The clause is the heart of the Integrated Safety Management System (ISMS) and has a lot of leverage. DOE-ORP has set basic standards for normal activity and will push for improvement in those areas.
- The committee expressed concern over pressure on workers not to report lost work days if there is a fee associated with doing so. What happens if there is a violation of the Resource Conservation and Recovery Act (RCRA)? DOE-ORP assured the committee that the contract has specific clauses to address those issues. Fines will be paid by CHG corporate. Also, DOE-ORP added a clause to exercise leverage over the contractor if it does not report problems. The next step in this approval process is to get formal comments from contractor, then produce a final list supported by both DOE-ORP and the contractor. The committee asked what happens if two different technical officers report different results. DOE-ORP answered that it would go through a dispute resolution process before the

memo gets written up, allowing them to produce paperwork later if necessary. The committee expressed a desire to see the list of the contract's safety clauses earlier so the HAB can provide input. The committee marked this as an issue to flag: the HAB wants very objective ties to fee, and wants to see the contract earlier so HAB can provide input. The committee noted that they appreciate DOE-ORP moving in this direction.

- What is Ecology's role in this process? The contract includes assurances that if the contractor meets milestones and Ecology proves that it did not, then DOE-ORP can dock fee.
- The committee asked DOE-ORP to address Super Stretch/Stretch issue. Who decides what contractor goes after once the year's base work has been completed? DOE-ORP responded that the contracting officer and Harry Boston decide these priorities. The committee marked this issue as one to flag because it preempts the budget process set up by the TPA and the traditional regulatory role. As such, it is an anticipatory breach of milestones so the regulator should decide the next milestone based on public input. The committee pointed out that ALL the work is required to meet TPA goals.

During the break a 6.8 magnitude earthquake hit the Seattle region and was felt in Richland. The Richland Federal Building was evacuated until 1:00 pm.

### **Regulator Perspectives**

#### **Ecology**

The following comments were made by Melinda Brown, Washington State Department of Ecology (Ecology).

- She is concerned that the contractor is not incentivized to work on a schedule towards reaching TPA milestones. Several performance based incentives show TPA work is classified as Super Stretches. She was specifically concerned with single shell tank integrity and leak monitoring, which DOE had called voluntary work. This work must be addressed because if it is not in this contract then it is considered new scope. Anything else added will need more funding and be considered new work.
- Ecology is concerned that the contract tells the contractor it will be fined if it violates the TPA, but this puts the contractor in a double bind to perform work against a schedule that doesn't match TPA without being able to change the TPA. (Ecology had not yet received a TPA change request.) Ecology said that since the contractor is not a signer of the TPA, it should not have to pay the fine; DOE-ORP should.
- Ecology's real concern is that the scope of work that is in TPA has a different schedule than the work listed in the contract. She doubts that the additional negotiations required upon the addition of new work scope to the contract would be a successful strategy. She noted that there is nothing in the contract schedule about TPA. She acknowledged that some things are right on schedule, and others are lagging mostly because the vitrification plant schedule is behind.

- A question was raised whether Ecology knew in advance how the performance based incentive program would work. Ecology did not know details in advance.
- Melinda Brown summarized that in general, Ecology wants the vitrification plant built and the interim tanks stabilized within the TPA timeline. Otherwise, Ecology wants DOE-ORP to go through the process of modifying TPA before modifying the work schedule.

### ***Further committee discussion***

- The committee pointed out that the public is also involved in changing the TPA so DOE-ORP should not be putting TPA changes into the contract without consulting others. The committee was concerned that contract negotiations preempted the TPA public process, noting that the public is interested in changes – why, what, and how the new the contract is different. What key issues will become Super Stretch, or in other words are now deprioritized? The committee emphasized that public opinion is important – people want to know if clean up is on track or off, and if off, what will it take to get on track?
- Who decides Super Stretch and other work prioritizations? Is DOE-ORP willing to commit to a process in which priorities would be decided in consultation with the public and TPA agencies? Peter Bengston, Pacific Northwest National Laboratories (PNNL), spoke on behalf of DOE-ORP (whose presenters had been unable to return after the earthquake break). He agreed that there was a need to elevate this issue and see what kind of process could put in place. He also noted that Harry Boston has prioritization decision-making authority right now and that Harry Boston will ask others and get public opinion when necessary. The committee expressed concern that Harry Boston and the contractor are the only parties who decide which items are Super Stretch. The committee would rather have a process to go the board or the public about what work gets done next, but acknowledged that other factors, such as work force availability, which might influence those priorities. There was some concern that the process should not take a long time, but it would be good to have that dialogue, and the regulators should have input as well.
- Since HAB advice usually starts with the current state of the budget, committee members agreed to the statement that the contract is predicated on an expected funding level \$50 million per year short of the estimated cost of work. DOE-ORP will ask for the full amount but may not receive it.
- The committee commented that it is a big step to have the contract tied to specific work and that it may want to say that the format of the contract is a step in the right direction.

Then the committee summarized on flip charts the issues it had flagged for follow-up in the next week's meeting. This list was finalized at the end of the meeting and e-mailed to everyone the next day.

## **DOE-ORP CONTRACT EXTENSION WITH CH2M HILL:**

### **FOLLOW-UP ISSUES**

- Concern that the contract preempts the TPA by prioritizing work inconsistently with the TPA
  - After the baseline is met, how are stretch and super-stretch goals prioritized?
  - What involvement, if any, will the public or the regulators have in the process of prioritizing that work?
- The disconnect between deadlines and schedules in the contract and the TPA
- Adequacy of validation of the contract baseline
- Discussion of the risks associated with moving forward with work when it is known that the funding level does not match the baseline
- Discussion of contract terms that create incentives for the contractor to comply with safety and/or regulatory requirements (per HAB advice that there should be clear objective ties between fees and safety/regulatory compliance)
- Further discussion of the contract term that states that work not identified *today* in the contract is “new work,” even if that work is required by the TPA
- Implications if DOE-ORP’s budget for this contract falls short of the amount required to meet TPA requirements

## **Committee Discussion of New Fluor Hanford Contract at DOE-RL**

At this time, the committee discussed the U.S. Department of Energy – Richland Operations Office’s (DOE-RL) new contract with Fluor Hanford. Rich Holten, DOE-RL, was present to answer questions.

### **General description of the contract:**

Rich Holten (DOE-RL) offered the following brief overview of the contract. The contract is for six years, through 2006. There is a point into the contract when performance will be reevaluated, and if the contractor has earned less than 60% of its fee then DOE-RL will reconsider whether or not it extends the contract two years. The performance incentives in the contract are consistent with TPA although in a case or two it does not follow the TPA date; these include spent fuel, the Plutonium Finishing Plant (PFP), and waste management. However, by the end of the contract it will have reached and maybe exceeded TPA requirements. A nonincentivized area is M-91, and DOE-RL is in discussion with Ecology about this because that milestone unrecoverable at this point. The contract switches 300 Area work away from Fluor, with the exception of some landlord services. This switch will occur at end of June 2002. All work in the 200 Area currently handled by the Environmental Restoration (ER) contractor, including soil characterization, building surveillance and maintenance, pump and treatments, and groundwater vadose zone, would be switched over to Fluor. The River Corridor contracting concept hasn’t been developed yet, but if it runs to 2012, then the Environmental Restoration Disposal Facility (ERDF) would stay with that contract until 2012. There is a new contract being formed in information management; this work would be taken out of the Fluor contract and be bid separately. The scope is not fully

defined on the Bechtel river site. Some work may go back to Fluor, but DOE-RL is still looking at how to shape that contract.

There is about \$60 million in fee for stretch work, out of a total \$160-180 million (roughly 1/3 of total). Fluor would need to save a substantial amount of money to even make the baseline let alone Stretch work. To make all the stretches it would have to save and reinvest \$235 million dollars over the course of the contract. Burial grounds 618-10 and -11 would be part of the Fluor contract as well. Fluor would be doing 200 Area soil remediation and characterization. The plan is to give Fluor the Central Plateau and what remains after 2012, and to give up the River Corridor contractor work that could be finished by 2012. DOE-RL would like to sign a closure contract, but it depends on the budget. Rich explained that Fluor is bound to the TPA, by budget, and by performance incentives. DOE-RL has to accumulate potential fee that the contractor earns. It accumulates in an account, then when the contractor earns it, it gets it. At certain points it receives a progress payment, but not automatically every month. DOE-RL wanted to put as much towards the end of contract as possible, and consequently both earning and milestones are towards the end of the contract.

### **Committee Discussion**

- What provisions exist for overruns? Rich Holten responded that DOE-RL will do a change notice, readjust the baseline, then start the clock again.
- The committee inquired about the fact that at the last full board meeting, it had been told by DOE-RL that Fluor had overspent by \$12 million on spent nuclear fuels. Does Fluor need DOE-RL agreement to move money from another project to the one they overspent on? Rich Holten answered affirmatively, adding that he hasn't seen any change request yet.
- What are the contractor's incentives to reach TPA milestones? Rich Holten responded that there is a performance incentive for everything in TPA except 200 Area characterization, which is to be negotiated. The committee asked what happened to board advice, and Rich Holten responded that Keith Klein thought it was more important to let the contractor decide.
- Is it clear in the contract that Fluor cannot go after Super Stretch goals and get fee before they've met base?

### ***Gerry Pollet's presentation on Fluor contract***

Gerry Pollet presented a personal review of the Fluor contract (see handout of his overheads). He expressed concern that the contract allows the contractor to make the determination of which Stretch and Super Stretch goals to pursue, thereby preempting TPA and public process and opposing what the HAB has advised. He noted this as a big issue to flag and added that there are a lot of areas where the TPA is at odds. There is a preemption of regulatory decisions.

Gerry Pollet noted that the closure plan for the 300 Area was a second area of major controversy is because it disregards public process and the TPA process. A similar



example is the plan to send transuranic waste (TRU) waste to low-level burial ground, which is not currently legal (requires regulator approval).

The Fluor contract scope is an average of \$640 million per year. Gerry Pollet was concerned that in the contract, work requirements increase while funding decreases. He does not have confidence in Fluor's ability to successfully function under such circumstances. He also questioned whether prioritized fees and new work priorities could be arranged without renegotiation. If the priorities are rearranged, does the contractor have a legal expectation to not have work reduced? He pointed out that the contractor will be operating on a 6 year plan where it invests time and money with an expectation of profit -- if it is told half-way into the contract to stop working on a certain milestone, then legally it might be entitled to that entire fee because to them that was an investment.

Another area of concern for Gerry Pollet was that the contract contained no definition of the key elements of subjective fee, such as the requirements for workplace safety and whether the contractor is tied to those requirements. The portion of fee based on subjective evaluation has increased to 20%. The HAB has offered advice that calls for this to decrease.

### **Regulator perspectives**

**EPA:** Dennis Faulk, EPA, raised the following points.

- This as a "trust me" contract in which DOE-RL just lets the contractors go out and do work. The contract is written so the bulk of money leftover goes for the two major projects, spent fuel and PFP, which is bad from EPA's point of view. The EPA does not want the whole clean up project sacrificed for sake of spent fuel.
- Some major disconnect points: the contract has incentivized removing the railcars from the bridge, and the post-70s TRU and mixed waste issues are incentivized more than in the TPA.
- No money was allocated to take care of the groundwater problems, especially in the Central Plateau. This could lead to a dispute process to get enforceable commitment because there is no incentive now. Also, currently 618-10 and -11 are structured to not get any work for a few years then suddenly get cleaned up, but not enough money is allocated for all of the engineering and treatability work needed.
- There are inconsistencies regarding the role of regulators in contract negotiations.
- DOE-RL's policy of simply setting an endpoint for clean up and letting the contractor work may be problematic. He expressed a worry that DOE-RL and EPA will be engaged in a dispute about clean up rather than acting as partners.

### ***Additional Committee Discussion***

The committee expressed dissatisfaction with the fact that these contracts have already been lined up and the TPA seems to have been ignored. It pointed out that the railcar disposition is not unrealistic because it is deferred work to be done in 2005 or 2006. There is no money for it so it is a stretch goal. Another member pointed out that that is the issue for everything -- where is the money?

**Ecology:** Ron Skinnarland, Ecology, made the following comments.

- He agreed with many of the concerns raised by Dennis Faulk, EPA. Ron noted that there are contracts for everything except the River Corridor and that with the administration change, unknown federal budget, and three contracts already in place there might not be enough money left for the River Corridor contract. Are the highest priority projects going to be cut? What are the processes for the public and stakeholders to comment? He has other concerns, but needs to see what happens with the budget and with the River Corridor contract because nobody knows what funding is available.
- The contracts are better in form because they incentivize the contractors to save money, but the process that led to these contracts and how priorities will be decided are of concern.
- Also concerned that renegotiation of contract is up to contractor and that only a small amount of fee is for new TPA milestones

### ***Additional Committee Discussion***

The committee voiced concern over the fact that the HAB and the community had no influence on three of the four contracts.

### **Committee Discussion to Identify Follow Up Items**

At this point the committee brainstormed specific items it expected DOE-RL to address next week at both the Tuesday, March 6, 2001 Budget Workshop and the next Financial Contract Management Committee meeting on Wednesday March 7, 2001. The following summaries of these discussions were e-mailed to everyone on Thursday, March 1, 2001.

#### **DOE-RL CONTRACT EXTENSION WITH FLUOR: FOLLOW-UP ISSUES**

**Issues the HAB would like to see addressed at the March 6 <sup>th</sup> Budget Workshop are italicized.
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- *Concern that the contract preempts the TPA by prioritizing work inconsistently with the TPA*
  - *How will the work to be performed under the contract be prioritized?*
  - *Will the public and/or regulators be involved in that decision?*
- Discussion of the expected cost savings of \$64m from the cost category of “infrastructure and other” (reference: Rich Holton slide: “Fluor Hanford Cost Savings Investment Detail (\$M)”)
- Issues resulting from the fact that the scope of the contract has been increased but the funding has decreased
- Further discussion of the contract term that states that work not identified *today* in the contract is “new work,” even if that work is required by the TPA
- Concern that the subjective fees under this contract are increased, but the objective fees tied to regulatory compliance are not increased
- What is the “project operations center?” (reference: ?)
- Credibility of the performance evaluation (e.g., spent nuclear fuel)

- ***What are the total SNF overruns? Where did the funding come from to cover the overruns?***
- Specific disconnects between the TPA and the contract:
  - 6-18, -10, and -11
  - disposition of TRU (in comparison to the 2012 Plan)
  - incentives to dispose of railcars
  - 100 areas
  - groundwater
- ***Where will the \$235 million in savings shown on Rich Holten's handout "Fluor Hanford Cost Savings Investment Detail (\$M)" come from? Why is it needed? Is this realistic?***
- ***Is the \$81 million cost for SNF acceleration to meet the existing schedule or to achieve an earlier schedule?***
- ***Explain the three categories listed on Rich Holten's handout "Fluor Hanford Cost Savings Detail (\$M)"***

**ISSUES THE HAB FINANCE COMMITTEE REQUESTS BE ADDRESSED BY DOE-RL AT THE MARCH 7<sup>TH</sup> FINANCE COMMITTEE MEETING:**

- A policy level overview of the new Fluor contract
- The decision process in prioritizing work in the contract
- The intent behind the work additions and deletions (reference: Fluor contract §C.7 and §C.8)
- List of TPA milestones that are included in the Fluor contract workscope
- List of TPA milestones that are excluded from the Fluor contract workscope
- Why the regulatory/safety compliance conscious workplace are not objectively defined and tied to the contract fee
- What is the "PSOC" referenced in Rich Holten's handout "Fluor Hanford Cost Savings Detail (\$M)?"

***Committee's Closing Remarks***

For the second time, the committee expressed thanks to DOE-ORP for spending, in total, a day and a half talking to them about tank farm contracts.

Gerry Pollet closed the meeting by summarizing that the biggest issue is who decides what works gets done. Now that the contracts have been signed, will there be a process to determine what Stretch work gets done in each contract? The committee expects to hear back from Peter Bengston, PNNL, on behalf of DOE-ORP, and from Ecology. The committee also asked Gail McClure to communicate to DOE-RL that the committee wished to hear again from DOE-RL. The committee considered the idea of bringing forward a proposal for a process to ensure that the TPA and public are not ignored in the contract-awarding process; this would be more powerful than simply stating that the TPA is being violated. Ron Skinnarland, Ecology, reiterated a major point as the unknown budget: eventually the budget will be known and it will probably be short funds, so what happens then? Will money be taken away from work? The committee added that if you have all the money, should that be left to the contractor? If EPA and Ecology demand a more public contract negotiation process, that may have more of an impact than the HAB.

Gayle McClure, DOE-RL, provided the website address of the Fluor contract:  
[www.hanford.gov/phmc/phmc.htm](http://www.hanford.gov/phmc/phmc.htm)

EnviroIssues agreed to produce a meeting summary by next week, and to send an e-mail listing the meetings bullet points from the flip charts by Thursday, March 2, 2001.

### **Handouts**

- Financial and Contract Management Committee's February 28, 2001 Agenda
- Financial and Contract Management Committee's March 7, 2001 Agenda
- TPA's *Development of Hanford's FY 2003 Budget*, February 28, 2001
- 2003 Budget Workshop Draft Agenda for March 6, 2001 Workshop, February 28, 2001
- DOE-ORP's *Tank Farm Contract Overview*, February 28, 2001
- Table D-1 Summary of FY2001 through FY2006 Performance Based Incentives from CH2Mhill Hanford Group, Inc. Contract No. DE-AC27-99RL14047, Modification M030, Part III, Section J, February 28, 2001
- Gerry Pollet's Review of Fluor Contract, February 28, 2001
- DOE-RL's Fluor Hanford Cost Savings Detail, February 28, 2001
- DOE-RL's Fluor Hanford Cost Savings Investment Detail, February 28, 2001

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### **Attendees**

#### **HAB Members and Alternates**

James Cochran	Greg deBruler	Gariann Gelston
Harold Heacock	Charles Kilbury	Robert Larson
Jeff Luke	Maynard Plahuta	Gerry Pollet
Dave Watrous		

#### **Others**

Rich Holten, DOE-RL	Melinda Brown, Ecology	Nancy Meyers, BHI
Gail McClure, DOE-RL	Ron Skinnarland, Ecology	Tom Wintczak, BHI
Dana Bryson, DOE-ORP	Joy Turner, Ecology	Carolyn Haass, CHG
Jennifer Sands, DOE-ORP	Dennis Faulk, EPA	Mike Payne, CHG
Jeff Short, DOE-ORP		Christina Richmond, EnviroIssues
		Susan Wright, EnviroIssues
		Barb Wise, FH
		Chris Chamberlain, Nuvotec
		Peter Bengston, PNNL